

FISCAL YEAR 2005-06 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. Agency Section/Code/Name:

Section 17 / H87 / South Carolina State Library

B. Statewide Mission:

The State Library's mission is to improve library services throughout the state and to ensure all citizens access to libraries and information resources adequate to meet their needs. As a vital educational resource for all South Carolinians, the State Library's programs and services have the potential to impact all information seekers. Today's extremely high-tech, fast-paced information climate makes it critical that citizens have access to information that leads to informed decision-making. The State Library provides such not only through direct delivery of services and resources (print and electronic), but also through indirect delivery of information through a well established and intricate partnership with public, K-12, and academic libraries across the state.

C. Summary Description of Strategic or Long-Term Goals:

(1) Provide information resources and services to meet the needs of the people of South Carolina.

The State Library seeks to:

- enhance and improve access to State Library collections and services;
- serve as the principal agent to advise, guide, and assist South Carolinians whose access to information is limited due to a disability, which prevents the use of standard library formats;
- serve as the principal agent to advise, guide, and assist state government personnel and elected officials in their quests for information.

[See FY2003-2004 Accountability Report. Category 7 – Results, pp. 25-37]

(2) Provide statewide programs to support local library services.

The State Library seeks to:

- ensure that all South Carolina citizens receive effective and high quality library services through their public library;
- promote the development of effective library programs which encourage the reading and educational achievement of the State's children and youth;
- provide a targeted continuing education program to train library staff in order to improve library service to the community;

- provide technical assistance in planning for and management of library resources and services;
- strengthen and enhance DISCUS – South Carolina’s Virtual Library.

[See FY2003-2004 Accountability Report. Category 7 – Results, pp. 25-37]

(3) Serve as an advocate for the contributions that libraries make to education and economic development in South Carolina.

The State Library seeks to:

- conduct an ongoing marketing campaign to promote the resources and services of South Carolina State Library;
- promote library services and reading throughout the state as an integral component of the educational process and as a contributor to the economic development of the state.

[See FY2003-2004 Accountability Report. Category 2 – Strategic Planning, pp. 13-15]

(4) Encourage partnerships that enhance statewide delivery of library and information services

The State Library seeks to:

- encourage the development of library networks for resource sharing;
- cooperate with other agencies to ensure that libraries are included in all statewide initiatives;
- collaborate with key stakeholders to support recruitment and retention of the next generation of librarians.

[See FY2003-2004 Accountability Report. Category 3 – Customer Focus, pp. 15-17]

(5) Continuously improve State Library operations.

The State Library seeks to:

- strengthen staff development and internal communications;
- increase the effectiveness of State Library operations.

[See FY2003-2004 Accountability Report. Category 1 – Leadership, pp 10-13 and Category 5 – Human Resources, pp. 19-21]

D.

Summary of Operating Budget Priorities for FY 2004-05:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 1	Title: Legislative and Governmental Research Service		181,250			\$181,250				
Strategic Goal No. Referenced in Item C Above (<i>if applicable</i>): Strategic Goal I										
Priority No.: 2	Title: Aid to County Libraries		4,462,717			\$4,462,717				
Strategic Goal No. Referenced in Item C Above (<i>if applicable</i>): Strategic Goal II										
TOTAL OF ALL PRIORITIES			\$4,643,967			\$4,643,967				

E. Agency Recurring Base Appropriation:

State \$ 6,214,346
Federal\$ 2,388,329
Other \$ 130,000

F. Efficiency Measures:

The State Library has a proud tradition of providing quality customer service. Agency activities are described on pages 17-19 of the agency's Accountability Report at web site <http://www.state.sc.us/scsl/pubs/acrepind.html>.

Sixty-five percent (65%) of the agency's state funded budget is appropriated to provide aid to public libraries, thirteen percent (13%) is designated specifically for rents paid to the Office of General Services, twenty percent (20%) is needed for salaries and fringe benefits, leaving only two percent (2%) for all other agency operating expenses.

Ever cognizant that its actual operating budget is extremely inadequate, the State Library weighs each expenditure against how it impacts the agency's overall ability to meet its mission and goals.

The agency has eight FTE vacancies that cannot be filled due to the current budget situation. To better address the needs of our customers and to make the most of an inadequate staffing situation, on January 1, 2003 the agency implemented a major internal reorganization. It realigned the management staff and created job responsibilities that cross departmental lines. Even with this monumental effort, the State Library's fiscal situation has still reached the point where it is no longer possible to redirect resources without negatively impacting or, in some cases, totally derailing existing and planned initiatives. Staff cannot be stretched any further. Many are already performing the tasks that constitute what were once two or three separate positions.

Were it not for federal guidelines that allow the agency to fund, with federal dollars, specific programs and services that directly benefit the state's citizens, the State Library budget deficit situation would have already made its continued operation virtually impossible.

G.

Summary of Capital Budget Priorities: (N/A)			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	Project Name:	Project No*:	0	0	0	\$ 0
Priority No.:	Project Name:	Project No*:	0	0	0	\$ 0
Priority No.:	Project Name:	Project No*:	0	0	0	\$ 0
Total of All Capital Budget Priorities:			\$ 0	\$ 0	\$ 0	\$ 0

* If applicable

H. Number of Proviso Changes: 1

I. Signature/Agency Contacts/Telephone Numbers:

James B. Johnson, Jr.
Director
734-8656

Guynell Williams
Deputy Director
734-4619

Ann Thornley
Director of Finance and Business Operations
734-8667

II. DETAILED JUSTIFICATION FOR FY2005-2006 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: Section 17/H87/State Library

B. Priority 1 of 2

C. (1) Title: Legislative and Governmental Research Service

(2) Summary Description:

To enhance and promote the agency's research services to state government by creating a special "South Carolina Legislative and Governmental Research Service" section.

(3) Strategic Goal/Action Plan: Strategic Goal I (Provide information resources and services to meet the needs of the people of South Carolina)/Agency proposes to accomplish goal of providing information services to state government agencies by creating a legislative and governmental research service. This is an enhancement to existing services which are discussed on p. 6, 16, 22, and 32 of the FY2003-2004 Accountability Report.

D. (1) Budget Program Name and Number:
Library Services/30 00 00 00

E. Agency Activity: Information Services

F. Detailed Justification for Funding:

(1) Justification for Funding Increase:

The South Carolina State Library proposes to enhance and promote our research services to state government by creating a special "South Carolina Legislative and Governmental Research Service" section within the Information Services department. Its purpose would be to provide timely, confidential, nonpartisan, objective research on legislative, policy, and public administration issues to the Governor's Office, General Assembly, and top agency officials. The staff would provide written reports and memoranda, bibliographic searches, delivery of books and articles (both printed and electronic), consultations, and seminars or workshops, as well as quick factual answers.

The South Carolina Legislative and Governmental Research Service section would work closely with the Governor's Office, legislators, staffs of legislative committees, research divisions of state agencies, and public and private organizations and institutes that study state policy issues. It would also monitor and disseminate research on trends and issues produced by the National Conference of State Legislatures, Council of State Governments, National Governors Association, and other national and regional organizations.

Centralized research services should be cost effective for state government. Many staff hours are now being spent by agency and legislative employees seeking information on the Internet or from other sources. Professional reference librarians have advanced skills in Internet and database searching and are knowledgeable about alternative sources of reliable information. Our service would be promoted heavily to the Governor's Office, General Assembly and its staff, and to top agency officials. Dedicated telephone and computer lines would provide quick access to the South Carolina Legislative and Governmental Research Service staff.

The South Carolina Legislative and Governmental Research Services section would allow the State Library to expand from providing short factual answers and searches for books and articles on specified topics to providing extensive research services. Our current staff of professional librarians would continue to serve state employees and to assist the reference staff of public libraries statewide with meeting the information and research needs of all citizens using local public libraries. Various established mechanisms for information delivery (i.e., telephone, e-mail, fax, and Interagency Mail Service, and a fully staffed reference desk during business hours for those wanting to pick up materials) ensure that customers receive needed resources in a timely manner. The State Library houses a comprehensive collection of South Carolina state documents, federal documents, and other printed materials and electronic databases for use in research. Through cooperative agreements with other libraries around the nation, staff also have access to resources that otherwise would not be available. The Information Services department currently offers basic-level research assistance to members of the General Assembly and their staffs and to all full-time permanent employees of state agencies, including the Governor's Office.

Timeline

<i>Quarter</i>	<i>Activity</i>
July – September 2004	<ul style="list-style-type: none">▪ Hire staff▪ Survey potential users to determine the areas in which research services are most needed▪ Develop partnerships with research staffs at the Governor's Office, the General Assembly, agencies, and university institutes
October – December 2004	<ul style="list-style-type: none">▪ Begin offering introductory workshops to selected agencies and legislative staff▪ Begin offering and promoting service to selected agencies and legislative staff▪ Internally evaluate any need for additional research materials
January- June 2005	<ul style="list-style-type: none">▪ Offer and promote service to the General Assembly▪ Offer and promote service to all state agencies▪ Evaluate usage

Budget

Staff— Three professional librarians with research experience and Master of Library Science degree from an American Library Association-accredited institution	\$35,000 salary + benefits = \$43,750 x 3 = \$131,250
Additional research materials/databases	\$40,000
Equipment and instructional materials	\$10,000
Total	181,250

(2) FY2005-06 Cost Estimates

FY 2005-06 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					
(b) Salary		105,000			\$ \$105.0000
(c) Fringe Benefits		26,250			\$26,250
Program/Case Services					
Pass-Through Funds					
Other Operating Expenses		50,000			\$50,000
Total		\$181,250			\$181,250
<i>* If new FTEs are needed, please complete Section F (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$724,387
Federal 985,018
Other

(4) Related Capital Budget Priority: N/A

G. Detailed Justification for FTEs:

(1) Justification for New FTEs

- (a) Justification: N/A
- (b) Future impact on Operating Expenses or Facility Requirements: N?A

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

(3) FTEs in Program Area per FY2004-2005 Appropriation Act:

State 18

Federal 7

Other

Agency-wide Vacant FTEs as of August 31, 2004: 8

% Vacant: 16%

Note: This proposal utilizes three existing vacant FTEs.

H. Other Comments: The South Carolina Legislative and Governmental Research Service could greatly enhance the ability of the Executive and Legislative Branches of government to conduct research necessary for vital decision-making. Rather than gathering summary information to assist in developing solutions to the many challenging matters confronting our state, state government and legislative bodies could have at their disposal, a professional research team capable of gathering fact-based detailed information for real-time and long-range planning. This is a service that can only be described as an investment in good government for the people of South Carolina.

II. DETAILED JUSTIFICATION FOR FY2005-2006 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: Section 17/H87/State Library

B. Priority 2 of 2

C. (1) Title: Aid to County Libraries

(2) Summary Description:

To increase State Aid to County Libraries to \$2.00 per capita with a minimum grant of \$50,000 per county using the 2000 census.

(3) Strategic Goal/Action Plan: Strategic Goal II (Provide statewide programs to support local library services)

Agency proposes to accomplish this goal by increasing state funding to county public libraries. Public libraries are mentioned throughout the FY2004-2005 Accountability Report. While lottery funding for public libraries has increased, those dollars are earmarked for specific purposes.

D. Budget Program Name and Number: Library Development/35 01 00 00

E. Agency Activity: Pass Through

F.

(1) Detailed Justification for Funding:

In FY01, the State Library and public library supporters were successful in securing a General Assembly increase in State Aid to County Libraries of \$2 per capita with a minimum grant of \$40,000 per county. This achievement came after a five-year campaign (\$2 for 2000) by the State Library and the Association of Public Library Administrators (APLA). At the inception of this campaign, State Aid to County Libraries was funded at \$1.05 per capita with a minimum grant of \$15,000 per county. However, this accomplishment was short-lived. At the end of FY01, a 1% across-the-board budget reduction reduced public library funding to \$1.98 per capita. This was followed by the FY02 Appropriations Act where the State Library's budget was reduced by 11.32% which resulted in a reduction of State Aid to \$1.76 per capita. Additional FY 02 mid-year reductions totaling 6.52% resulted in State Aid being further decreased to \$1.63 per capita. Then, the General Assembly's FY 03 adoption of the 2000 census figures for State Aid distribution resulted in the coupling of a reduced appropriation with higher census numbers which led to State Aid being funded at just \$1.17 in FY03. The FY04 Appropriations Act further reduced State Aid to \$1.01. The September 2003 1% budget sequestration once again caused State Aid to suffer another hit, and the year ended with State Aid at \$1.00 per capita. These

reductions represent a devastating downward trend in aid to county libraries. The FY05 Appropriations Act further reduces State Aid to 82 cents per capita, a 59% cut since FY01.

State Aid is 100% pass through to county libraries. The State Library levies no overhead charges. Quality public library services play a vital role in the lifelong education of all South Carolinians. In many cases, especially in rural South Carolina, public libraries are the only outlet for those interested in educational opportunities outside of formal educational programs that require some level of personal financial investment for access. Public libraries are also where students, of all ages, turn for assistance after school and weekends for access to research and informational resources. According to a National Center for Education Statistics study, fully 60% of public library users are youth: 37% are children and 23% are teenagers. Additionally, public libraries also serve as the “school library” for the state’s estimated 10,000 to 12,000 home-schoolers. Public libraries are an essential component of the state’s educational infrastructure, but unfortunately are not recognized as such. The General Assembly in Act 564 of 1978 stated that public libraries “...merit the continued support of state and local government.”

The state spends thousands of dollars on K-12 and higher education for each student, but spends ONLY \$59 for a lifetime of public library service that benefits everyone---student, parent, teacher, business professional, senior citizen, and more.

South Carolina does not fund its public libraries anywhere near the Southeastern average of \$1.85. South Carolina ranks next to be bottom among the Southeastern states. Local funding is extremely low in many rural counties, often barely enough to keep the doors open. Without an adequate level of state funding, many local libraries struggle, and will continue to struggle, to provide the bare essentials. Lottery funds for the past two years have helped with technology needs and in FY05 will also help with book purchases, but every other area of public library budgets are being squeezed. In fact, the State Library has observed a decline in the number of hours that libraries are open in rural South Carolina due to declining budgets. Closed public library doors means less access for citizens.

South Carolina’s children need all the assistance they can get to enable them to enter school ready to learn. Our children lag behind children in other states in many readiness indicators. Public libraries are stretched to the limit as they try to provide a wide range of services and programs targeted to children. Many programs are designed to introduce children to the joys of reading and to encourage children and their parents to make reading a daily event in their lives—a habit that can endure a lifetime and lead to a wealth of well-educated and productive citizens for our state. During summer months, public libraries provide many programs to keep children engaged in learning so they will maintain their reading proficiency. There have been many new reading initiatives throughout the state, but public libraries were providing reading programs long before it became fashionable to talk about reading readiness. During the school year, as well as year round, public libraries offer children a safe environment in which to study and conduct research.

South Carolina’s public libraries continue to rank poorly on a number of major indicators, such as:

	South Carolina	National	Ranking
Books circulation per capita	4.5	6.5	43
Books available per capita	2.1	2.8	40
Magazine per 1,000 population	5.0	7.2	35
FTEs per 25,000 population	9.6	12.2	38
Total funding per capita	\$18.90	\$30.02	42

South Carolina's public libraries continue to provide quality service in spite of low funding and resources. An example can be found in the statistics for reference transactions per capita. Even with the low resources mentioned above, South Carolina's public libraries rank 15th in this area, equaling the national average of 1.1 reference transactions per capita.

According to an independent study, using statistics from the National Center for Education Statistics, South Carolina's public libraries rank 49th in the country. While South Carolina takes pride in recent increases in student test scores, it should be greatly concerned that the one local agency that benefits all students continues to languish at the bottom. South Carolina can do better. South Carolina must do better. Ranking 49th is unacceptable. While the State Library and public library directors statewide are extremely proud that the Richland County Public Library was named Library of the Year in 2001, we are also dismayed and deeply concerned that many other county libraries are having trouble just keeping the doors open.

An estimated 52% of South Carolinians have a public library card—their ticket to lifelong learning. This high percentage indicates that South Carolinians value and use their public libraries. What other public service reaches so many people? Increased state funding will enable public libraries to provide:

- programs that instill in children the lifelong desire to read and learn
- new parents with information on the importance of reading to their babies and with basic information on parenting skills
- resources to help parents take an active role in their children's development
- resources for child care centers
- a safe environment for children to learn
- safe Internet access for all South Carolinians
- a forum to become true community information centers
- valuable information to the business community for support of economic development
- consumer health information for a healthier South Carolina

The University of South Carolina, School of Library and Information Science, conducted a survey in Spring 2004 to gauge the economic impact of public libraries in South Carolina. The data are still be analyzed, however, raw data indicate that a substantial number of public library users in South Carolina believe that public libraries contribute to the prosperity of their community, contribute to their own personal financial well-being, and improve the overall quality of life in South Carolina. Many of the over 4,000 respondents indicated that information they received in public libraries helped them obtain a job, assisted with business opportunities, and/or made them more productive on the job.

The economic value of the services of South Carolina public libraries to the state was calculated using the annual statistics compiled by the State Library for reporting to the Federal/State Cooperative Survey (FSCS). This is a preliminary summary of some of the calculations that have been made using these data.

- (1) The **direct** economic impact of all South Carolina public library expenditures is \$80 million.
- (2) The **existence** of South Carolina public libraries brings to the state (from federal and private sources) almost \$5 million each year that it would not otherwise have. (This figure excludes funds received directly by the State Library.)
- (3) The **value of the loans** and use of books, videos, cassettes, CDs, newspapers, magazines, etc. to users each year is approximately \$102 million. (Calculated using average price of materials if purchased at retail.)
- (4) The **value of reference services** to users in South Carolina each year is approximately \$26 million. (Calculated using an estimate for time saved by the users.)
- (5) The **total direct economic impact** of South Carolina public libraries is estimated at \$222 million, while the actual cost of these services to the state and local governments is only \$77.5 million. **This means that for every \$1 spent by state and local governments on South Carolina public libraries the return on investment is \$2.86.**
- (6) The **indirect economic impact** of South Carolina public library expenditures (wages, supplies, books and related materials, construction, etc.) on the state's economy is almost \$126 million. **This mean that for every \$1 expended by South Carolina public libraries, the state receives \$1.62 of indirect economic impact.**
- (7) Thus, **total direct and indirect return on investment** for every \$1 expended on the state's public libraries by South Carolina state and local governments is \$4.48, or **almost 350%!**

South Carolina has a number of citizens who sell many products door-to-door for national vendors. These vendors now require that weekly and monthly sales reports be made over the Internet. Many of these citizens do not have Internet access in their homes.

They rely on public library computer's to access the Internet and conduct their business transactions. Without public libraries, these South Carolinians would not be able maintain these business opportunities.

South Carolina's public libraries are located throughout the state with a system of 46 county or regional library headquarters, 140 branches and 35 bookmobiles. A significant increase in state funding, commensurate with the state's commitment to K-12 and higher education, will enable public libraries move to a higher lever for the provision of world class public library services to all South Carolinians. Without this state's commitment to make public libraries an educational funding priority, one of the state's most valuable service entities, the public library, will continue to struggle just to maintain its current national rankings. The requested \$4,462,717 must be considered another vital investment opportunity for the State of South Carolina in the education of **ALL** its citizens.

- (2) FY2005-06 Cost Estimates: The State Library needs an additional \$4,462,717 in order to return State Aid to the \$2 per capita level with a minimum grant of \$50,000 per county.

FY 2005-06 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					
(b) Salary					
(c) Fringe Benefits					
Program/Case Services					
Pass-Through Funds		4,462,717			\$4,462,717
Other Operating Expenses					
Total		\$4,462,717			\$4,462,717
<i>* If new FTEs are needed, please complete Section F (Detailed Justification for FTEs) below.</i>					

- (3) Base Appropriation:

State \$3,851,187
Federal 890,674
Other 100,000

- (4) Related Capital Budget Priority? N/A

G. Detailed Justification for FTEs:

- (1) Justification for New FTEs:

(a) Justification: N/A

(b) Future Impact on Operating Expenses or Facility Requirements: N/A

(2) Position Details

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Salary					\$ 0
(c) Fringe Benefits					\$ 0

(3) FTEs in Program Area per FY2004-2005 Appropriation Act:

State 3

Federal 3

Other 0

Agency-wide Vacant FTEs as of August 31, 2004: 8

% Vacant: 16%

H. Other Comments: Public libraries play a vital role in the education of all South Carolinians—particularly its children. As such, it is appropriate that public libraries be exempt from across-the-board budget reductions just as K-12 education and higher education have been in the past. During times of economic downturn, more families turn to the public library. Public libraries are a critical element in the educational infrastructure of South Carolina. It is important that they be recognized and funded as such. Public libraries need to be open with adequate resources at times when people can visit them. Reduced hours due to budget reductions limit the effectiveness of our public libraries. Fewer new materials also lessen their effectiveness.

It is interesting to read about the value of libraries in the 9-11 Commission Report, which states that “If the United States does not act aggressively to define itself in the Islamic world, the extremists will gladly do the job for us.” One way of achieving this is to “rebuild the scholarship, exchange, and library programs that reach out to young people and offer them knowledge and hope.” It is equally important for South Carolina to build library programs that reach out to South Carolina’s young people and offer them knowledge and hope.”

A 2004 report of the National Endowment for the Arts, Reading at Risk, discusses the decline of literary reading in the United States. Public libraries can play a vital role to stop this decline. The report states:

“The question of who reads is one of particular social importance. Reading is both a reflection of disparate education levels and a way of bridging the differences among them. Reading is obviously related to the literacy of a nation, which in turn is related to the quality of life of its citizens. If literacy is the baseline for participation in social life, then reading – and reading of literary work in particular – is essential to a sound and health understanding of, and participation in, a democratic society.”